

Financial Responsibilities of Grantees

Office of Financial Management
National Institutes of Health

Objectives

- Timely Entering of Accounting Data
- Timely Reports for Management and Monitoring
- Internal Controls
- Written Policies and Procedures
- Define Allowable Costs
- Determine Allocation of Costs

Tracking

- Budgets, Expenditures, Balances
- Disbursements to support Cash Requests
- Sponsored Accounts Identified
- Equipment purchases reviewed
- Time and Effort reporting

Review

- Monitor authorized levels
- Charging of unallowable costs
- Review monthly
- Minimize Cost Transfers

Internal Controls

- Monitor Restricted Funds
- Management has reasonable access to information
- Tracking system to monitor report preparation
- Electronic Submittal of Reports
- Electronic Access to Information

Documentation

- Written Policies and Procedures
- Record Keeping
- Internal Controls
- Fiscal Management Reports are available
- Data updated daily
- Reviewed monthly

Charging of Costs

- Determine timely charging of costs to sponsored projects
- Distinguish direct from indirect costs

Pre- Award Costs

- Grantees own risk
- Costs are necessary and related to the future grant budget period
- Make sure of your authority

Cost Transfers

- Proper justification
- Timely corrections
- Reasons are well documented

Special Cost Categories

- Cost Sharing
- Program Income
- Subcontract Costs

Property

- Acquisition
- Tagging
- Safeguarding
- Inventory System
- Agrees with the General Ledger

Federal Reporting Requirements

- System to generate accurate and timely proposals and applications
- System to monitor federal cash on hand
- System to generate Financial Status Reports
- Written procedures to produce progress reports
- Written Policies and Procedures for closeout

Financial Status Reports

- Due within ninety days of end of budget period
- Accuracy - Revisions should be the exception
- Indicator of good system and practices

Unliquidated Balances

- Do not delay FSRs when you can reflect charges as unliquidated
- None on terminal year of project
- Allowable on last year of competitive segment
- Estimate is acceptable
- Should be liquidated within 90 days

Unobligated Balances

- Break in Support
- Revised FSRs
- Cancelled Years
- Indicator of a Concern not a problem

Federal Cash Transactions Report

- Timely submittal
- Account totals are correct
- Grantee controls disbursements
- NIH financial and/or grants management staff control authorized amounts
- Timely closeout

Conclusion

- Strong system will reduce problems
- Saves time in long run
- Critical to public confidence
- Improves research effort